



POSTAL SERVICE

Change in Rates and Classes of General Applicability for Competitive

Products

AGENCY: Postal Service™.

ACTION: Notice of a change in rates and classifications of general applicability for competitive products.

SUMMARY: This notice sets forth changes in rates and classifications of general applicability for competitive products.

DATES: *Effective date:* July 10, 2022.

FOR FURTHER INFORMATION CONTACT: Elizabeth Reed, 202-268-3179.

SUPPLEMENTARY INFORMATION: On May 5, 2022, pursuant to their authority under 39 U.S.C. 3632, the Governors of the Postal Service established prices and classification changes for competitive products. The Governors' Decision and the record of proceedings in connection with such decision are reprinted below in accordance with section 3632(b)(2).

Sarah Sullivan,

Attorney, Ethics and Legal Compliance.

**DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON CHANGES
IN RATES AND CLASSIFICATIONS OF GENERAL APPLICABILITY FOR COMPETITIVE
PRODUCTS (GOVERNORS' DECISION NO. 22-1)**

May 5, 2022

STATEMENT OF EXPLANATION AND JUSTIFICATION

Pursuant to authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish prices and classifications of general applicability for certain of the Postal Service's competitive products. The changes are described generally below, with a detailed description of the changes in the attachment. The attachment includes the draft Mail Classification Schedule sections with classification changes in legislative format, and new prices displayed in the price charts.

As shown in the nonpublic annex being filed under seal herewith, the changes we establish should enable each competitive product to cover its attributable costs (39 U.S.C. § 3633(a)(2)) and should result in competitive products as a whole complying with 39 U.S.C. § 3633(a)(3), which, as implemented by 39 C.F.R. § 3035.107(c), requires competitive products collectively to contribute a minimum of 10.0 percent to the Postal Service's institutional costs. Accordingly, no issue of subsidization of competitive products by market dominant products should arise (39 U.S.C. § 3633(a)(1)). We therefore find that the new prices are in accordance with 39 U.S.C. §§ 3632–3633 and 39 C.F.R. § 3035.102.

I. Domestic Products

A. Priority Mail

The existing structure of the Priority Mail Retail, Commercial Base, and Commercial Plus price categories is maintained. No price changes are proposed, but classification changes are made to increase insurance to \$100 for Priority Mail and to extend the inclusion of \$100 in insurance to Priority Mail Returns. Eligibility requirements for Commercial Plus Cubic pricing are being removed, so that all commercial customers can utilize Priority Mail cubic pricing.

B. Parcel Select

Cubic pricing will be introduced for the Parcel Select Ground price category. No other price or classification changes are proposed for the Parcel Select product, and the existing structure is maintained.

No other price or classification changes for Domestic Products are being made.

I. International Products

A. International Ancillary Services and Special Services

Prices for Outbound International Insurance will be increased about 55 percent on average to ensure adequate cost coverage, in response to recent directives from the Postal Regulatory Commission (PRC) in its FY 2021 Annual Compliance Determination (ACD) to take corrective action in this regard in relation to Outbound International Insurance's failure to cover its costs in FY 2021. Prices for International Money Transfer Service (IMTS) – Outbound, which includes international Postal Money Orders and Electronic Money Transfer Service, will increase by about 305 percent, in response to a PRC directive in the FY 2021 ACD after a finding that IMTS–Outbound did not cover its costs.

No other price or classification changes for International Products are being made.

ORDER

The changes in prices and classes set forth herein shall be effective at 12:01 A.M. on July 10, 2022. We direct the Secretary to have this decision published in the *Federal Register* in accordance with 39 U.S.C. § 3632(b)(2) and direct management to file with the Postal Regulatory Commission appropriate notice of these changes.

By The Governors:

/s/

Roman Martinez IV
Chairman, Board of Governors

**UNITED STATES POSTAL SERVICE
OFFICE OF THE BOARD OF GOVERNORS**

**CERTIFICATION OF GOVERNORS' VOTE ON
GOVERNORS' DECISION NO. 22-1**

Consistent with 39 USC 3632(a), I hereby certify that, on May 5, 2022, the Governors voted on adopting Governors' Decision No. 22-1, and that a majority of the Governors then holding office voted in favor of that Decision.

/s/

Date: May 5, 2022

Michael J. Elston
Secretary of the Board of Governors

PART B

COMPETITIVE PRODUCTS

2000 COMPETITIVE PRODUCT LIST

2100 Domestic Products

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2110 Priority Mail

2110.1 Description

- a. Priority Mail service provides expeditious handling and transportation.
- b. Any matter eligible for mailing may, at the option of the mailer, be mailed by Priority Mail service for expeditious handling and transportation.
- c. Priority Mail pieces are sealed against postal inspection and shall not be opened except as authorized by law.
- d. Priority Mail pieces that are undeliverable-as-addressed are entitled to be forwarded or returned to the sender without additional charge.
- e. Up to ~~\$50.00~~\$100.00 of General Insurance coverage is included at no additional cost in the price of Priority Mail pieces that bear an Intelligent Mail package barcode or retail tracking barcode. This does not apply to Priority Mail pieces sent using~~non-prepaid returns~~, Priority Mail Open and Distribute, or Premium Forwarding Service.
- f. Up to \$100.00 of General Insurance coverage is included at no additional cost in the price of Priority Mail pieces that bear an Intelligent Mail package barcode and for which the mailer pays Commercial Plus prices or uses ePostage, Electronic Verification System, Hardcopy Manifest, or an approved Manifest Mailing System. This does not apply to Priority Mail pieces sent using ~~non-prepaid returns~~, Priority Mail Open and Distribute, or Premium Forwarding Service.
- g. Return parcels may be sent without prepayment of postage if authorized by the returns customer, who agrees to pay the postage.

2110.2 Size and Weight Limitations¹

	Length	Height	Thickness	Weight
Minimum	large enough to accommodate postage, address, and other required elements on the address side			none
Maximum				70 pounds ¹
Flat Rate Envelope	Nominal Sizes: Regular: 9.5 x 12.5 inches Padded: 10 x 13 inches Legal: 9.5 x 15.0 inches			70 pounds ¹
Flat Rate Box	Nominal Sizes: Large: 12 x 12 x 5.5 inches or 11.75 x 3 x 23.6875 inches – approximately 1/2 cu. ft. Medium: 11.875 x 3.375 x 13.625 inches or 11 x 8.5 x 5.5 inches – approximately 1/3 cu. ft. Small: 8.625 x 5.375 x 1.625 inches – approximately 1/20 cu. ft.			
Regional Rate Box A	Outside Dimensions: Top Loaded: 10.125 x 7.125 x 5.0 inches Side Loaded: 13.0625 x 11.0625 x 2.5 inches			15 pounds
Regional Rate Box B	Outside Dimensions: Top Loaded: 12.25 x 10.5 x 5.5 inches Side Loaded: 16.25 x 14.5 x 3 inches			20 pounds
Commercial Plus Cubic	Various, not to exceed 0.1, 0.2, 0.3, 0.4, or 0.5 cubic feet			20 pounds
Open and Distribute	Half Tray: 15 x 11.75 x 4.75 inches Full Tray: 25.875 x 11.75 x 4.75 inches EMM Tray: 12.375 x 6.4375 x 25.25 inches Flat Tub: 19.375 x 13.8125 x 12.25 inches			70 pounds ¹
All Others	108 inches in combined length and girth			70 pounds ¹

Notes

1. A charge of \$100.00 applies to pieces found in the postal network that exceed the 70-pound maximum weight limitation or the the 130-inch length plus girth maximum dimensional limit for Postal Service products. Such items are nonmailable and will not be delivered. As described in the Domestic Mail Manual, this charge is payable before release of the item, unless the item is picked up at the same facility where it was entered.

2110.3 Minimum Volume Requirements

Minimum Volume Requirements

Commercial Plus Cubic Priority Mail	50 pounds or 200 pieces (Permit Imprint only)
All Other Priority Mail	none

2110.4 Price Categories

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- ~~Commercial Plus Cubic~~ – Prices are available to customers who use specifically authorized postage payment methods ~~and whose annual Priority Mail volume exceeds 50,000 pieces~~
 - Zone/Cubic Volume

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2110.6 Prices

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Commercial Plus Cubic

Maximum Cubic Feet	Local, Zones 1 & 2 (\$)	Zone 3 (\$)	Zone 4 (\$)	Zone 5 (\$)	Zone 6 (\$)	Zone 7 (\$)	Zone 8 (\$)	Zone 9 (\$)
0.10	7.54	7.81	8.05	8.37	9.18	9.77	10.43	18.56
0.20	8.02	8.20	8.49	9.12	10.96	11.62	12.67	25.09
0.30	8.25	8.62	9.01	10.03	13.48	15.22	17.93	34.46
0.40	8.37	8.85	9.57	11.83	15.92	18.73	21.59	42.67
0.50	8.50	9.07	10.04	13.18	17.79	22.31	25.74	51.21

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2115 Parcel Select

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2115.2 Size and Weight Limitations¹*Parcel Select*

	Length	Height	Thickness	Weight
Minimum	large enough to accommodate postage, address, and other required elements on the address side			none
Maximum	130 inches in combined length and girth			70 pounds ¹

Parcel Select Ground

	<u>Length</u>	<u>Height</u>	<u>Thickness</u>	<u>Weight</u>
<u>Minimum</u>	<u>large enough to accommodate postage, address, and other required elements on the address side</u>			<u>none</u>
<u>Maximum</u>				
<u>Cubic</u>	<u>Various, not to exceed 0.1, 0.2, 0.3, 0.4, 0.5, 0.6, 0.7, 0.8, 0.9, or 1.0 cubic feet</u>			<u>20 pounds</u>
<u>All Others</u>	<u>130 inches in combined length and girth</u>			<u>70 pounds¹</u>

Lightweight

	Length	Height	Thickness	Weight
Minimum	large enough to accommodate postage, address, and other required elements on the address side			none
Maximum	108 inches in combined length and girth			< 16 ounces

Notes

1. A charge of \$100.00 applies to pieces found in the postal network that exceed the 70-pound maximum weight limitation or the 130-inch length plus girth maximum dimensional limit for Postal Service products. Such items are nonmailable and will not be delivered. As described in the Domestic Mail Manual, this charge is payable before release of the item, unless the item is picked up at the same facility where it was entered.

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2115.4 Price Categories

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Non-Destination Entered

- Parcel Select Ground
 - Parcel Select Ground
 - Cubic
 - Dimensional Weight
 - Oversized
 - Forwarding and Returns

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Non-Destination Entered — Parcel Select Ground

a. Parcel Select Ground

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b. Cubic

<u>Maximum Cubic Feet</u>	<u>Local, Zones 1 & 2 (\$)</u>	<u>Zone 3 (\$)</u>	<u>Zone 4 (\$)</u>	<u>Zone 5 (\$)</u>	<u>Zone 6 (\$)</u>	<u>Zone 7 (\$)</u>	<u>Zone 8 (\$)</u>	<u>Zone 9 (\$)</u>
<u>0.10</u>	<u>6.86</u>	<u>7.11</u>	<u>7.29</u>	<u>7.42</u>	<u>7.64</u>	<u>8.09</u>	<u>8.45</u>	<u>8.45</u>
<u>0.20</u>	<u>7.26</u>	<u>7.60</u>	<u>7.87</u>	<u>8.08</u>	<u>8.98</u>	<u>9.57</u>	<u>10.12</u>	<u>10.12</u>
<u>0.30</u>	<u>7.31</u>	<u>7.70</u>	<u>8.06</u>	<u>8.55</u>	<u>10.48</u>	<u>11.01</u>	<u>11.64</u>	<u>11.64</u>
<u>0.40</u>	<u>7.40</u>	<u>7.87</u>	<u>8.42</u>	<u>9.53</u>	<u>11.47</u>	<u>12.14</u>	<u>12.76</u>	<u>12.76</u>
<u>0.50</u>	<u>7.51</u>	<u>8.08</u>	<u>8.81</u>	<u>10.23</u>	<u>12.16</u>	<u>12.93</u>	<u>13.66</u>	<u>13.66</u>
<u>0.60</u>	<u>7.63</u>	<u>8.40</u>	<u>9.26</u>	<u>11.72</u>	<u>12.68</u>	<u>13.45</u>	<u>14.15</u>	<u>14.15</u>
<u>0.70</u>	<u>7.99</u>	<u>9.09</u>	<u>9.73</u>	<u>12.56</u>	<u>13.01</u>	<u>13.91</u>	<u>14.84</u>	<u>14.84</u>
<u>0.80</u>	<u>8.21</u>	<u>9.73</u>	<u>10.93</u>	<u>12.91</u>	<u>13.48</u>	<u>14.40</u>	<u>15.50</u>	<u>15.50</u>
<u>0.90</u>	<u>8.87</u>	<u>10.21</u>	<u>11.68</u>	<u>13.14</u>	<u>13.90</u>	<u>15.09</u>	<u>16.42</u>	<u>16.42</u>
<u>1.00</u>	<u>9.39</u>	<u>10.74</u>	<u>11.92</u>	<u>13.54</u>	<u>14.33</u>	<u>16.10</u>	<u>17.68</u>	<u>17.68</u>

bc. Dimensional Weight

Parcels exceeding one cubic foot are priced at the actual weight or the dimensional weight, whichever is greater.

For box-shaped parcels, the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) of the parcel, and dividing by 166.

For irregular-shaped parcels (parcels not appearing box-shaped), the dimensional weight (pounds) is calculated by multiplying the length (inches) times the width (inches) times the height (inches) at the associated maximum cross-sections of the parcel, dividing by 166, and multiplying by an adjustment factor of 0.785.

ed. Oversized Pieces

Regardless of weight, any piece that measures more than 108 inches (but not more than 130 inches) in length plus girth must pay the oversized price. As stated in the Domestic Mail Manual, any piece that is found to be over the 70 pound maximum weight limitation is nonmailable, will not be delivered, and may be subject to the \$100.00 overweight item charge.

de. Forwarding and Returns

Parcel Select pieces that are forwarded on request of the addressee or forwarded or returned on request of the mailer will be subject to the applicable Parcel Select Ground price, plus \$3.00, when forwarded or returned. For customers using Address Correction Service with Shipper Paid Forwarding/Return, and also using an IMpb, the additional fee will be \$2.50.

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2615 International Ancillary Services

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2615.5 Outbound International Insurance

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2615.5.3 Prices

Outbound International Insurance

- a. Priority Mail International Insurance and Priority Mail Express
International Merchandise Insurance

Indemnity Limit Not Over (\$)	Price (\$)
200 ¹	0.00
300	11.05
400	14.00
500	16.95
600	19.90
700	22.85
800	25.80
900	28.75
Over 900	28.75 plus 2.95 for each 100.00 or fraction thereof over 900.00. Maximum indemnity varies by country.

Notes

1. Insurance coverage is provided, for no additional charge, up to \$200.00 for merchandise, and up to \$100.00 for document reconstruction.

- b. Global Express Guaranteed Insurance

(\$)	(\$)	(\$)
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Amount of coverage:				
0.01	to	100.00		0.00
100.01	to	200.00		2.10
200.01	to	300.00		4.20
300.01	to	400.00		6.30
400.01	to	500.00		8.40
For document reconstruction insurance or non-document insurance coverage above 500.00, add 2.10 per 100.00 or fraction thereof, up to a maximum of 2,499.00 per shipment. Maximum indemnity varies by country.				
Up to		2,499.00		48.30

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2620 International Money Transfer Service—Outbound

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2620.3 Prices*International Money Order*

	(\$)
Per International Money Order	49.65
Inquiry Fee	36.45

Vendor Assisted Electronic Money Transfer

	Transfer Amount		
	Minimum Amount (\$)	Maximum Amount (\$)	Per Transfer (\$)
Electronic Money Transfer	0.01	750.00	69.30
	750.01	1,500.00	100.25
Refund	0.01	1,500.00	151.90
Change of Recipient	0.01	1,500.00	80.80

Electronic Money Transfer

[Reserved]

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